

**TENNESSEE GENERAL ASSEMBLY  
FISCAL REVIEW COMMITTEE**



**FISCAL NOTE**

**SB 1023 - HB 1683**

March 12, 2011

**SUMMARY OF BILL:** Requires the Department of Veterans' Affairs, in consultation with the Department of Safety, to create the appropriate language and symbol to be placed on the driver's license or photo identification card of a veteran. Any Tennessee veteran wishing to have this language and symbol upon his or her driver's license or photo identification card must provide a copy of the Department of Defense Form 214(DD 214) discharge papers and pay the standard driver's license renewal fee.

**ESTIMATED FISCAL IMPACT:**

**Increase State Expenditures - \$222,200/One-Time  
\$ 900/Recurring**

**Assumptions:**

- According to the Department of Safety (DOS), there are 507,000 veterans in Tennessee.
- The number of veterans in the state will remain constant each year.
- Driver licenses are on a five-year renewal cycle. The cost of renewal is \$19.50. Veterans will pay no additional cost for this license.
- Approximately 101,400 (20% x 507,000) veterans will renew his or her license each year.
- According to DOS, the driver license information system will need modification to capture and print designation on driver licenses. Approximately 20 driver license system programs will require 20 hours of program changes at a cost of \$95 per hour for a contracted OIR Mainframe Programmer IV and \$90 per hour for an IT contractor for a one-time cost of \$74,000 [20 x 20 x (\$95 + \$90)].
- DOS recently completed a new card design, enhancing security features which deter counterfeits at a cost of \$97,500. DOC estimates the same one-time redesign cost of \$97,500 includes development, artwork, project management, quality control, testing and programming for redesigned formats.
- According to DOS, the cost to capture a photo ID and certify applicant veteran status costs \$0.10 per veteran or \$50,700 (507,000 x \$0.10).
- According to the Tennessee Department of Veterans' Affairs, based on figures from the previous two fiscal years (FY09-10, FY10-11), an average of 8,501 people are certified as veterans in Tennessee annually.

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- The cost for DOS to capture a photo ID and certify new veterans is \$850.10 per year (8,501 x \$0.10).

**CERTIFICATION:**

The information contained herein is true and correct to the best of my knowledge.



James W. White, Executive Director

/jdb